

**Part 2A of Form ADV: *Firm Brochure***

**Thompson/Rubinstein Investment Management, Inc.**

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02/18/2015

This brochure provides information about the qualifications and business practices of TRIM, Inc.. If you have any questions about the contents of this brochure, please contact us at 503-224-1488 or [chender@trinvestment.com](mailto:chender@trinvestment.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about TRIM, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 104798.

## **Item 2     Material Changes**

Our Firm Brochure, dated 02/25/2015, provides you with a summary of TRIM, Inc.'s advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest. This Item is used to provide our clients with a summary of new and/or updated information. We will inform you of revision(s) based on the nature of the information as follows.

1. Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end, December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure upon request within 120 days of our fiscal year end, or we will provide you with our revised Brochure that will include a summary of those changes in this Item.
2. Material Changes: Should a material change in our operations occur, depending on its nature, we will promptly communicate this change to our clients (and it will be summarized in this Item). "Material changes" requiring prompt notification would include changes of ownership or control; office location; disciplinary proceedings; significant changes to our advisory services – any information that is critical to our client's full understanding of who we are, how to find us, and how we do business.

The following summarizes new or revised disclosures based on information previously provided in our Firm Brochure dated 02/05/2014:

### **Item 4 Advisory Business, Amount of Managed Assets**

This item was changed to provide a required annual update to assets under management and reads as follows:

"As of 12/31/2014, we were actively managing \$264,849,153 of clients' assets on a discretionary basis."

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## **Item 4    Advisory Business**

Thompson/Rubinstein Investment Management, Inc. (TRIM, Inc.) is a SEC-registered investment adviser with its principal place of business located in Oregon.

Thompson/Rubinstein Investment Management, Inc. began conducting business in 1979.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Richard Allan Rubinstein, President and Chief Compliance Officer

TRIM, Inc. offers the following advisory services to our clients:

### **INDIVIDUAL PORTFOLIO MANAGEMENT**

Our firm provides continuous asset management of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on the client's particular circumstances are established, we develop the client's personal investment policy. We create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Once the client's portfolio has been established, we review the portfolio constantly, and if necessary, rebalance the portfolio based on the client's individual needs.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Corporate debt securities (other than commercial paper)
- Municipal securities
- United States governmental securities

Because some types of investments involve certain additional degrees of risk, they will only be implemented when consistent with the client's stated investment objectives, tolerance for

risk, liquidity and suitability.

### **AMOUNT OF MANAGED ASSETS**

As of 12/31/2014, we were actively managing \$264,849,153 of clients' assets on a discretionary basis. We do not manage any accounts on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **PORTFOLIO MANAGEMENT SERVICES FEES**

Our annual fees for Portfolio Management Services are based upon a percentage of assets under management and generally range from 0.25% to 1.00%.

The annualized fee for Portfolio Management Services will be charged as a percentage of assets under management, according to the following schedule:

| <b><u>Assets Under Management</u></b> | <b><u>Annual Fee</u></b> |
|---------------------------------------|--------------------------|
| On the first \$1,000,000              | 1.00%                    |
| On the next \$4,000,000               | .75%                     |
| On the next \$5,000,000               | .50%                     |
| On the Balance                        | .25%                     |

Our fees are billed quarterly, in advance, at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Fees will be debited from the account in accordance with the client authorization in the Investment Advisory Agreement, or billed directly to the client upon preference of the client.

**Limited Negotiability of Advisory Fees:** Although TRIM, Inc. has established the aforementioned fee schedule, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

### **GENERAL INFORMATION**

**Termination of the Advisory Relationship:** A client agreement may be canceled at any time, by either party, for any reason upon receipt of a written notice. As disclosed above,

certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

***Mutual Fund Fees:*** All fees paid to TRIM, Inc. for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or EFTs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided. For most clients, TRIM, Inc. does not recommend or purchase mutual funds or EFTs.

***Wrap Fee Programs and Separately Managed Account Fees:*** TRIM, Inc. does not participate in wrap fee or separately managed account programs since clients participating in such programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients who may wish to enter into a wrap fee arrangement.

***Additional Fees and Expenses:*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

***ERISA Accounts:*** TRIM, Inc. is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, TRIM, Inc. may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used

to offset TRIM, Inc.'s advisory fees.

**Advisory Fees in General:** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower (or higher) fees.

**Limited Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

TRIM, Inc. does not charge performance-based fees.

## **Item 7 Types of Clients**

TRIM, Inc. provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above

TRIM, Inc. does not have any minimum or maximum account size requirements for opening or maintaining an account.

## **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

### **METHODS OF ANALYSIS**

We use the following methods of analysis in managing client assets:

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market

regardless of the economic and financial factors considered in evaluating the stock.

***Risks for all forms of analysis.*** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. There is always a risk that our analysis may be compromised by inaccurate or misleading information.

***INVESTMENT STRATEGIES.*** Our equity investment strategy is based on a "bottom-up" analysis of each company. We focus on high quality companies largely in energy, selective retail, technology, manufacturing, consumer products, healthcare and financial services. We look for companies with management integrity who manage for the long term and think like we do, as owners of the business. Since we measure our results on a total return basis, dividends are very important. A sell would occur when we detect a change in fundamentals, or when we believe a stock is fully priced and will not continue to meet our desired rate of return.

Our decision-making process is to be fully invested throughout the market cycle, which provides a low turnover rate of less than 5% in most of our portfolios. Trying to predict the short-term direction of the stock market is impossible. When fundamentals are right, we stay with a stock regardless of market volatility. Our client's funds are always invested rather than the futile attempt to time the market and incur the costs of increased turnover.

In fixed income, we buy primarily short and intermediate term corporate, U.S. Treasury and agency issues, and tax-free municipals where appropriate. Fixed income securities are usually held to maturity.

All accounts are individually managed within the framework of our firm's strategy and with consideration for each client's investment objectives. Although each account is managed individually, our portfolio managers all work from the same reference list and are guided by common investment principles. Teamwork on stock selection and individual account management occurs daily.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline in value before we make the decision to sell.

## **Item 9     Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

## **Item 10     Other Financial Industry Activities and Affiliations**



Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

## **Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

TRIM, Inc. and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

TRIM, Inc.'s Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [office@trinvestment.com](mailto:office@trinvestment.com), or by calling us at 503-224-1488.

TRIM, Inc. and individuals associated with our firm are prohibited from engaging in principal transactions.

TRIM, Inc. and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any

security prior to being reviewed and approved by our Chief Compliance Officer, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being reviewed and approved by our Chief Compliance Officer. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his designee.
6. We have established procedures for the maintenance of all required books and records.
7. Clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to termination.

## **Item 12 Brokerage Practices**

TRIM, Inc. does not have any soft-dollar arrangements with broker-dealers or third party vendors. While TRIM, Inc. may receive a broker-dealer's own research on securities we monitor for our clients, no client brokerage commissions (or securities markups or markdowns) are used specifically to pay for the research. Nor do we recommend a broker-dealer based on our interest in receiving research or other products or services.

Our firm does not have the discretionary authority to determine the broker-dealer to be used, clients must direct TRIM, Inc. to the broker-dealer to be used.

TRIM, Inc. requires that clients direct us to place trades through the broker-dealer of their choice. TRIM, Inc. evaluates the broker-dealer and determines if it will provide our clients with a blend of execution services, commission costs and professionalism that will assist our firm to meet our fiduciary obligations to clients.

We reserve the right to decline acceptance of any client account for which the client directs the use of a broker-dealer whom we believe would compromise our fiduciary duty to the client and/or our ability to service the account. In directing the use of the client's chosen broker-dealer, it should be understood that TRIM, Inc. may not have authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients (who may direct the use of another broker).

Clients should note, while TRIM, Inc. has a reasonable belief that their chosen broker-dealer is able to obtain best execution and competitive prices, our firm will not be independently seeking best execution price capability through other brokers. Not all advisers require clients to direct it to use a particular broker-dealer.

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, we may recommend the use of one of several brokers (including, but not limited to T.D. Ameritrade, Morgan Stanley/Smith Barney, Merrill Lynch or UBS Financial Services), provided that such recommendation is consistent with our firm's fiduciary duty to the client. Our clients must evaluate these brokers before opening an account. The factors considered by TRIM, Inc. when making these recommendations are the broker's ability to provide professional services, our experience with the broker, the broker's reputation, the broker's quality of execution services and costs of such services. Clients are not under any obligation to effect trades through any recommended broker.

As a matter of policy and practice, TRIM, Inc. does not generally block client trades and, therefore, we implement client transactions separately for each account. Consequently, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisers who block client trades.

## **Item 13    Review of Accounts**

### **PORTFOLIO MANAGEMENT SERVICES**

**REVIEWS:** All accounts and all securities are under continual review by the portfolio managers of TRIM, Inc. on at least a weekly basis. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. We look at our client's account diversification and asset allocations, concentrations of securities, allocation schedules, deposits, and withdrawals. We also review accounts for any material changes in variables such as the client's individual circumstances, the status of individual securities, market conditions, market outlook, political or economic environment considerations.

These accounts are reviewed by: Richard A. Rubinstein, President and Chief Compliance Officer, and John H. Coulter, Vice President.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that our clients receive from their broker-dealer, TRIM, Inc. provides quarterly reports that summarize account balances, holdings and transactions. We also provide an annual report of measurement of total investment return and the relative performance of the account with recognized market indexes, an annual summary of capital gains and losses, and an annual tabulation of all interest and dividends.

## **Item 14    Client Referrals and Other Compensation**

It is TRIM, Inc.'s policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is TRIM, Inc.'s policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

## **Item 15    Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts who have directed us to do so.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we

also send account statements directly to our clients on a quarterly basis. In addition, we send billing statements showing the amount billed and the fee schedule used to calculate the fee. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

Our firm does not have actual or constructive custody of client accounts.

## **Item 16 Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

## **Item 17 Voting Client Securities**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

## **Item 18 Financial Information**

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. TRIM, Inc. has no such financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

TRIM, Inc. has not been the subject of a bankruptcy petition at any time during the past ten

years.